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1 CLIFFORD W. STEVENS (SBN: 148918)
 2 NEUMILLER & BEARDSLEE
 3 A PROFESSIONAL CORPORATION
 Post Office Box 20
 Stockton, CA 95203
 Telephone: (209) 948-8200
 Facsimile: (209) 948-4910

5 Attorneys for
 Gary Farrar, Chapter 7 Trustee

7 UNITED STATES BANKRUPTCY COURT
 8 EASTERN DISTRICT OF CALIFORNIA
 9 MODESTO DIVISION

10 In re) Case No. 07-90770-D-7
 11 BELLA VISTA BY PARAMONT, LLC) DC No.:
 12 Debtor,) CHAPTER 7
 13) Adv. Proc. No.: 08-09107-D
 14 GARY FARRAR, CHAPTER 7) PLAINTIFF'S PROPOSED FINDINGS
 TRUSTEE) OF FACT AND CONCLUSIONS OF
 15 Plaintiff,) LAW
 16 vs.) Date: April 26, 2010
 17 WARDA & YONANO, a Limited) Time: 9:30 a.m.
 Liability Partnership, J.C. WILLIAMS) Place: 1200 I Street, Suite 4
 18 COMPANY, a California Corporation,) Modesto, CA 95354
 JCW-CYPRESS HOME GROUP, a) Courtroom 33
 19 California Limited Partnership, JOHN C.) Judge: Hon. Ronald H. Sargis
 WILLIAMS, an individual,
 20)
 21 Defendants.)

22 **FINDINGS OF FACT**

24 1. Plaintiff Gary Farrar is the duly qualified and acting Chapter 7 trustee in this case.

25 2. Bella Vista by Paramont, LLC is a California limited liability company ("Debtor").

26 3. Defendant WARDA & YONANO is a California Limited Liability Partnership
 27 ("W&Y").

1 4. Defendant Defendants J.C. WILLIAMS COMPANY is a California Corporation
2 ("Williams Company").

3 5. Defendant JCW-CYPRESS HOME GROUP is a California Limited Partnership
4 ("Cypress").

5 6. Defendant JOHN C. WILLIAMS is an individual residing in the State of California
6 ("Williams").

7 7. At all times herein, Defendant W&Y was, and continues to be, the attorneys for
8 Debtor, Williams Company, Cypress, and Williams. (Defendants W&Y, Williams Company,
9 Cypress, and Williams are collectively referred to herein as "Defendants")

10 8. On or about November 29, 2006, Defendant W&Y received cashier's check no.
11 001909302 in the amount of \$100,000 payable to Debtor in settlement of a prepetition civil
12 proceeding (the "Check").

13 9. The Check was deposited into the Client Trust Account of Defendant W&Y's Client
14 Trust Account ("the Deposit").

15 10. The Check was received and the deposit was made within one year from the Debtor's
16 bankruptcy Petition.

17 11. The proceeds of the Check were controlled by Williams and Williams directed that
18 W&Y pay itself on various invoices from the Deposit.

19 12. Williams is an officer, director, and person in control of Debtor, Williams Company,
20 and Cypress.

21 13. At the time of the Deposit, Debtor owed Cypress an amount in excess of the amount
22 of the Deposit.

23 14. All of the proceeds from the Check were subsequently used to pay Defendant W&Y
24 attorneys' fees (hereinafter "Transfers").

25 15. All of the proceeds from the Check were subsequently used to pay Defendant W&Y
26 attorneys' fees incurred by Debtor, Williams Company, Cypress, and Williams.

27 16. Defendant W&Y was a creditor of the Debtor at the time of the Transfers.

28 17. Defendant Cypress was a creditor of the Debtor at the time of the Transfers.

18. Each Transfer was a transfer of an interest in property of the Debtor.

19. All of the Transfers were made for or on account of the antecedent debt owed by the Debtor to Defendant Cypress and Defendant W&Y.

20. Debtor was insolvent at the time of the Deposit and the Transfers.

21. At least \$16,000 of the Transfers was made on or within ninety days before the Petition Date.

22. The Transfers enabled Defendants W&Y and Cypress to receive more than they would receive if the Transfers had not been made and were instead paid to the extent provided by provisions of Title 11, of the United States Code.

23. Defendant W&Y was the initial transferee, or alternatively, the immediate or mediate transferee of the proceeds from the Check as described in 11 U.S.C. §550(a)(1) and (2).

24. Defendant Williams Company was the initial transferee, or alternatively, the immediate or mediate transferee of the proceeds from the Check as described in 11 U.S.C. §550(a)(1) and (2).

25. Defendant Cypress was the initial transferee, or alternatively, the immediate or
mediate transferee of the proceeds from the Check as described in 11 U.S.C. §550(a)(1) and (2).

26. Defendant Williams was the initial transferee, or alternatively, the immediate or
mediate transferee of the proceeds from the Check as described in 11 U.S.C. §550(a)(1) and (2).

CONCLUSIONS OF LAW

27. This court has jurisdiction over this adversary proceeding, which is a core proceeding in bankruptcy. 28 U.S.C. § 157(b)(2)(I).

28. Plaintiff has met the elements of 11 U.S.C. § 547.

29. The \$100,000 Transfer was to or for the benefit of a creditor (i.e. Defendants), for or on account of an antecedent debt before the transfer was made, and made within one year before the filing of the Debtor's petition. Each of the Defendants was, at the time of the Transfer, an "insider" pursuant to 11 U.S.C. § 101 (31).

1 30. The Debtor was insolvent at all times from July 30, 2006 to July 30, 2007.

2 31. The Transfer meets the requirements of 11 U.S.C. § 547(b)(5) in that it enabled each
3 of the Defendants to receive more than they would have received through a Chapter 7 liquidation of
4 Debtor's estate.

5

6 Dated: April 14, 2010

NEUMILLER & BEARDSLEE
A PROFESSIONAL CORPORATION

7 By: 

CLIFFORD W. STEVENS
Attorneys for Plaintiff/Chapter 7 Trustee
GARY FARRAR

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